

Early Morning Update:

The Dec17 natural gas contract is trading up \$0.02 at \$3.12. The Dec17 crude contract is down \$0.50 at \$55.20.

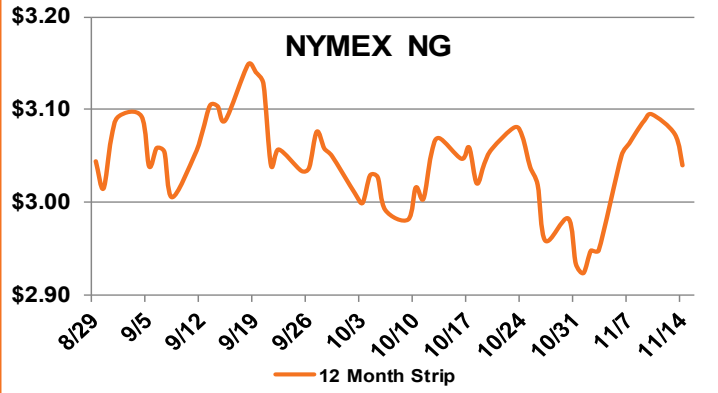
Summary: Unpredictable weather continues to create volatility in near-term NYMEX NG pricing. NOAA is expected to update their winter forecast tomorrow, November 16, as a consensus in wither outlooks has yet to appear in the market. Monday ended a seven-day streak of gains, and yesterday, the December '17 contract fell another 6.5 cents to \$3.102/MMBtu. Most analysts believe higher gas prices after a week-long rally, coupled with uncertainty in winter weather, initiated profit-taking yesterday, as traders sold long positions. Record-setting natural gas production remains a bearish sentiment in the marketplace, hitting a record high of 76.3 Bcf/d on Monday. Additionally, the latest "Drilling Productivity Report" from the U.S Energy Information Administration predicts the output from shale gas will increase by 1.3% next month.

Bullish Factors

- Cold weather
- Exports to Mexico at record high
- Growing LNG exports

Bearish Factors

- Power burn down year-over-year
- Increased renewable energy gen
- NG production at record levels



Next Day On-Peak Power (traded for 11/15/2017)

ISO-NE Mass Hub \$38.45	MISO Indiana Hub \$31.84	NYISO Zone G \$37.75
PJM West Hub \$33.23	ERCOT North \$27.80	CAISO SP15 \$47.51
NYMEX NG		
	Close	Change
Dec-17	3.102	-0.065
Jan-18	3.203	-0.059
12 Month	3.041	-0.034
Cal 18	3.047	-0.030
Cal 19	2.912	-0.006

EIA Natural Gas Storage

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	3,790	3,775	4,009	3,861
Diff v. Current		15	-219	-71
% Diff			-5.5%	-1.8%

